

WRITER'S DIRECT LINE

212-330-6025



June 2, 2011

Ms. Elizabeth Block
State of New York
Department of Law
120 Broadway, 23rd Floor
New York, NY 10271

Re: 8 Legged Productions, LLC as of 1/2/11

Dear Ms. Block:

Enclosed is a copy of the above mentioned financial statement which Ronald Feiner requested we send to you.

Sincerely,

Christopher A. Cacace
CAC:gm

Enc:

cc: Ronald Feiner



ROSENBERG, NEUWIRTH & KUCHNER
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Members of
8 Legged Productions, LLC
New York, NY

We have compiled the accompanying balance sheet of 8 Legged Productions, LLC as of January 2, 2011 and the related statement of operations, members' capital and deficit and schedules #1 through #3 from August 19, 2010 (inception) through January 2, 2011. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations and cash flows. Accordingly, these financial statements and the related schedules are not designed for those who are not informed about such matters.

Rosenberg Neuwirth & Kuchner

March 8, 2011

8 LEGGED PRODUCTIONS, LLC
"SPIDER-MAN: TURN OF THE DARK"

STATEMENT OF OPERATIONS, MEMBERS' CAPITAL AND DEFICIT
FROM AUGUST 19, 2010 (INCEPTION) THROUGH JANUARY 2, 2011
(UNAUDITED)

Capital contributed - Savior LLC		\$ 25,000,000.00
Capital contributed - Heroic LLC		20,847,843.87
Producer loans (Savior LLC)		<u>5,790,000.00</u>
		51,637,843.87
Net costs to date		
Production costs (schedule #1)	\$ 48,141,068.12	
Running loss for the Five weeks ended December 26, 2010 (schedule #2)	576,595.37	
Interest expense		
NH SP LLC	\$ 1,500,000.00	
Other	<u>164,383.56</u>	1,664,383.56
Accounting - annual		11,000.00
New York State LLC fee		<u>25.00</u>
		50,393,072.05
Running profit for the One week ended January 2, 2011 (schedule #3)	353,549.38	
Interest income	<u>16,423.34</u>	
Net costs to date		<u>50,023,099.33</u>
Members' capital at January 2, 2011		1,614,744.54
Undistributable items		
Royalty advances	1,209,911.65	
Bonds and deposits	<u>3,327,507.24</u>	<u>4,537,418.89</u>
Deficit		<u>\$ (2,922,674.35)</u>

BALANCE SHEET

JANUARY 2, 2011

(UNAUDITED)

ASSETS		
Cash in bank		\$ 4,483,871.48
Accounts receivable		
Theatre		1,198,994.48
Other		190,780.11
Prepaid expenses		36,598.86
Royalty advances		1,209,911.65
Bonds and deposits		<u>3,327,507.24</u>
		<u>\$ 10,447,663.82</u>
LIABILITIES		
Accounts payable	\$ 1,597,083.57	
Accrued expenses	773,327.23	
Loans payable (NH SP LLC)	6,057,696.91	
Interest payable	164,383.56	
Royalties payable	<u>240,428.01</u>	
		8,832,919.28
MEMBERS' CAPITAL		<u>1,614,744.54</u>
		<u>\$ 10,447,663.82</u>

Selected information - Substantially all disclosures required by
generally accepted accounting principles are not included.

Note 1 - The Company is obligated to make weekly payments to Brookshire Investment Trust for the use of modifications to the theatre. Such payments are to continue until the final performance. During the period, \$331,918.88 was charged to weekly running expenses. At the Balance Sheet date, the total contingent liability is \$8,050,122.

See independent accountants' compilation report

8 LEGGED PRODUCTIONS, LLC
"SPIDER-MAN: TURN OF THE DARK"

PRODUCTION COSTS

FROM AUGUST 19, 2010 (INCEPTION) THROUGH JANUARY 2, 2011

(UNAUDITED)

Physical production		
Scenery and automation	\$ 7,579,913.61	
Proto-types	306,960.00	
Props	438,389.49	
Rehearsal props	40,122.65	
Costumes and shoes	2,082,970.68	
Hair, makeup, masks and wigs	197,857.71	
Puppets	370,074.34	
Electrics - preparation	289,700.00	
Electrics - perishables	157,682.48	
Sound - preparation	312,400.00	
Sound - perishables	94,611.97	
Projections - preparation	245,000.00	
Projections - perishables	28,531.74	
Projections - creation	602,867.00	
Led - preparation	355,000.00	
Projections proto-types	64,643.08	
Special effects	184,859.50	
High speed flying rig	825,031.00	
Proto-types flying	1,024,826.94	
Harnesses	188,701.32	
Custom rigging and chain motor	176,488.24	
Departmental expenses	405,334.56	
Musical instruments	189,888.78	
		\$ 16,161,855.09
Fees - creative		
Authors	92,000.00	
Director	125,000.00	
Director - associate	57,625.00	
Director - assistant	27,099.99	
Choreographer	50,855.00	
Choreographer - associate	52,718.75	
Movement specialist	38,000.00	
Aerial designer	80,250.00	
Aerial designer - assistant	70,243.75	
Aerial coordinator	120,720.00	
Scenic designer	57,125.00	
Scenic designer - assistants	1,055,678.70	
Costume designer	14,375.00	
Costume designer - associate	206,285.65	
Costume designer - assistants	143,504.79	
Lighting designer	50,000.00	
Lighting designer - associate	67,477.50	
Lighting designer assistants	60,406.00	
Sound designer	22,500.00	
Sound designer - associate	45,080.00	
Projections designer	40,000.00	
Projections coordinator	149,542.94	
Mask designer	20,000.00	
Mask designer - associate	10,520.00	
Puppet designer	117,550.00	
Puppet designer - assistants	29,736.89	
Hair designer	8,750.00	
Makeup designer	11,666.66	
Music producer	22,500.00	
Musical supervisor	26,666.33	
Orchestrator	85,462.53	
Music copying	136,808.93	
Transcription	20,000.00	
Dance music arranger	15,000.00	
Synthesizer programmer	17,500.00	
		3,148,649.41
Fees - production		
General manager	362,375.00	
General management consultant	151,000.00	
Casting director	45,000.00	
Production managers	632,216.56	
Production engineer	35,000.00	
Press agent	95,218.90	
Legal fees	1,083,514.80	
Accounting	121,579.25	
		2,525,904.51
Advertising and publicity		3,146,597.07
Filming and videography		303,595.11

See independent accountants' compilation report

8 LEGGED PRODUCTIONS, LLC
"SPIDER-MAN: TURN OF THE DARK"

PRODUCTION COSTS

FROM AUGUST 19, 2010 (INCEPTION) THROUGH JANUARY 2, 2011

(UNAUDITED)

Rehearsal salaries		
Principals	\$ 403,953.31	
Ensemble	974,886.55	
Standby	35,900.52	
Dance captain	11,145.87	
Stage managers and assistants	380,820.64	
Stage managers premiums	20,503.72	
Shop crew	77,057.43	
Company crew	1,043,136.12	
Wardrobe and dressers (load in)	44,776.82	
Wardrobe and dressers (rehearsal to 1st performance)	397,151.65	
Hair and make up (load in)	27,537.56	
Hair and make up (rehearsal to 1st performance)	78,109.03	
Moving lights programmer	78,400.00	
Projection programmer	60,996.71	
Flying programmer	227,201.50	
Musical director	71,898.47	
Rehearsal musicians	186,805.52	
Musicians	126,582.63	
Company managers	110,447.93	
Physical therapist	17,097.00	
Acting and dialect coaches	27,840.00	
Production assistants	25,905.00	
Orchestra contractor	7,500.00	
Actors per diem and living expenses	96,688.74	
Vacation pay	48,116.00	
Sick pay	37,651.00	
Payroll taxes	593,929.66	
Union benefits	886,015.26	
		\$ 6,098,054.64
Pre-production and tech expenses		
Studio expenses (models and blueprints)	195,576.74	
Engineering and permitting	113,023.74	
Legal expenses	48,593.00	
Legal expenses - settlements	25,000.00	
Casting and audition expenses	132,918.37	
Rehearsal hall	179,892.29	
Per diems and living expenses	659,727.95	
Transportation	442,148.66	
Composer and lyricist expenses	208,732.79	
Crew housing	28,010.74	
Hauling and storage	272,994.17	
Truck loaders - take-in	65,457.58	
Local stagehands	6,571,633.64	
Preliminary theatre rent and expenses	4,373,374.71	
Preliminary box office expenses	320,128.58	
Opening night	20,150.00	
		13,657,362.96
General and administrative		
Prior executive producer fee	75,000.00	
Executive producer fee	430,628.00	
Co-executive producer fee	24,000.00	
Production consultant fee	50,093.75	
Insurance	288,109.00	
Office operating costs	138,693.50	
Payroll service	36,190.43	
Miscellaneous and other	54,563.74	
		1,097,278.42
Cast reading and workshop		694,908.00
Developmental expenses		1,306,862.91
Production costs		<u>\$ 48,141,068.12</u>

8 LEGGED PRODUCTIONS, LLC
"SPIDER-MAN: TURN OF THE DARK"

Schedule #2

Running Report for the Week(s) Ended

(Unaudited)

	11/28/2010	12/05/2010	12/12/2010	12/19/2010	12/26/2010
Number of performances	<u>One</u>	<u>Five</u>	<u>Five</u>	<u>Six</u>	<u>Five</u>
NET ADJUSTED BOX OFFICE RECEIPTS					
Gross Box Office Receipts	\$ 200,604.50	\$ 919,457.00	\$ 911,681.50	\$ 1,036,132.50	\$ 1,090,389.50
Box office deductions	(18,418.64)	(87,019.18)	(84,077.53)	(95,358.46)	(89,226.43)
Construction loan repayment	(11,569.88)	(50,473.00)	(49,806.00)	(58,522.00)	(61,091.00)
	<u>\$ 170,615.98</u>	<u>\$ 781,964.82</u>	<u>\$ 777,797.97</u>	<u>\$ 882,252.04</u>	<u>\$ 940,072.07</u>
RUNNING EXPENSES					
Box office royalties	<u>\$ 3,412.32</u>	<u>\$ 31,278.59</u>	<u>\$ 31,111.92</u>	<u>\$ 35,290.08</u>	<u>\$ 47,003.60</u>
Salaries					
Principals	\$ 4,212.28	\$ 30,698.24	\$ 28,173.24	\$ 35,002.92	\$ 30,181.75
Ensemble	7,711.74	61,652.90	64,440.50	64,179.90	67,027.33
Standbys	297.76	2,382.06	2,382.06	2,470.06	2,485.38
Stage managers	1,950.03	15,907.34	15,600.34	17,133.02	16,487.17
Dance captain	82.53	660.20	660.20	660.20	660.20
Company managers	593.75	4,750.00	4,750.00	5,166.67	5,166.67
Physical therapist	100.00	925.00	825.00	825.00	825.00
Company crew	1,710.91	14,360.27	14,360.24	14,360.27	14,360.27
Wardrobe supervisor and assistants	668.75	6,404.80	5,778.00	5,906.25	5,778.00
Dressers	2,753.66	23,357.38	23,360.00	23,355.10	23,380.80
Hairdresser	240.10	1,920.79	1,920.79	2,198.31	2,152.04
Assistant hairdresser	495.70	3,965.62	3,965.62	3,955.65	4,437.19
Make up supervisor	233.85	1,870.79	1,870.79	1,870.79	2,095.79
Assistant make up	195.54	1,564.35	1,564.35	1,564.35	1,751.85
Rehearsal and work calls	6,470.00	6,470.00	6,470.00	6,470.00	6,470.00
Resident director	375.00	2,500.00	2,500.00	2,500.00	2,500.00
Resident choreographer	281.25	2,000.00	2,000.00	2,000.00	2,000.00
Musical director	468.75	3,750.00	3,750.00	3,750.00	3,979.69
Musicians	5,295.37	42,176.41	42,172.70	42,106.25	42,154.33
Stars' per diem and living	125.00	1,000.00	1,000.00	1,000.00	1,000.00
Equity vacation and sick pay	969.50	7,756.00	7,756.00	7,756.00	7,756.00
Payroll taxes	3,729.37	23,435.85	22,407.19	22,266.99	23,475.01
Union benefits	5,321.84	41,090.00	40,630.64	42,693.59	40,621.67
	<u>44,282.68</u>	<u>300,598.00</u>	<u>298,337.66</u>	<u>309,191.32</u>	<u>306,746.14</u>
Departmentals					
Carpentry, automation and props	437.50	2,187.50	2,187.50	2,625.00	2,187.50
Electrics and sound	350.00	1,750.00	1,750.00	2,100.00	1,750.00
Wardrobe, hair and makeup	687.50	3,437.50	3,437.50	4,125.00	3,437.50
Special effects	93.75	468.75	468.75	562.50	468.75
Audition and rehearsal	437.50	2,187.50	2,187.50	2,625.00	2,187.50
Rehearsal studio	625.00	5,000.00	5,000.00	5,000.00	5,000.00
Catering	175.00	875.00	875.00	1,050.00	875.00
Company and stage managers	156.25	781.25	781.25	937.50	781.25
	<u>2,962.50</u>	<u>16,687.50</u>	<u>16,687.50</u>	<u>19,025.00</u>	<u>16,687.50</u>
Rentals					
Automation	4,436.88	22,184.38	22,184.38	26,621.25	22,184.38
Flying rig rental	4,126.63	20,633.15	20,633.15	24,759.75	20,633.15
Electrics and moving lights	3,313.75	16,568.75	16,568.75	19,882.50	16,568.75
Sound	2,584.38	13,421.90	13,421.90	16,106.28	13,421.90
Projectors	1,212.50	6,062.50	6,062.50	7,275.00	6,062.50
Led lease	1,556.25	7,781.25	7,781.25	9,337.50	7,781.25
Genie lifts and chain motors	87.50	437.50	437.50	525.00	437.50
	<u>17,317.89</u>	<u>87,089.43</u>	<u>87,089.43</u>	<u>104,507.28</u>	<u>87,089.43</u>
Advertising and publicity	<u>15,625.00</u>	<u>78,125.00</u>	<u>78,125.00</u>	<u>93,750.00</u>	<u>78,125.00</u>
General and administrative					
Marvel liaison	156.25	1,250.00	1,250.00	1,250.00	1,250.00
Legal	125.00	625.00	625.00	750.00	625.00
Accounting	281.25	2,250.00	2,250.00	2,250.00	2,250.00
Insurance	1,201.88	6,009.38	6,009.38	7,211.25	6,009.38
Production maintenance	937.50	4,687.50	4,687.50	5,625.00	4,687.50
Restoration bond repayment	1,875.00	9,375.00	9,375.00	11,250.00	9,375.00
Closing reserve	2,403.88	12,019.38	12,019.38	14,423.25	12,019.38
Telephone, copies and postage	62.50	312.50	312.50	375.00	312.50
Payroll service	81.25	650.00	650.00	650.00	650.00
Theatre proscenium storage and insurance	235.00	235.00	235.00	235.00	235.00
Music license fee	34.38	171.88	171.88	206.25	171.88
Miscellaneous and other	125.00	625.00	625.00	750.00	625.00
	<u>7,518.89</u>	<u>38,210.64</u>	<u>38,210.64</u>	<u>44,975.75</u>	<u>38,210.64</u>
Theatre expenses					
Percentage rent	1,279.62	46,917.89	46,667.88	52,935.12	56,404.32
Recovery rent	5,000.00	40,000.00	40,000.00	40,000.00	40,000.00
Theatre operating expenses	33,787.46	65,923.45	59,551.25	98,096.50	62,347.47
Box office	1,939.72	17,024.48	17,814.94	17,709.65	20,486.92
Front of the house	9,386.59	26,108.00	37,500.36	31,479.84	33,372.62
Stagehands	17,250.00	138,000.00	138,000.00	138,000.00	138,000.00
Holiday pay	697.13	3,485.63	3,485.63	4,182.75	3,485.63
	<u>69,340.52</u>	<u>337,459.45</u>	<u>343,020.06</u>	<u>382,403.86</u>	<u>354,096.96</u>
Fees and retainers					
General manager	625.00	5,000.00	5,000.00	5,000.00	5,000.00
Press agent	375.00	3,000.00	3,000.00	3,000.00	3,000.00
Marketing and promotion director	375.00	3,000.00	3,000.00	3,000.00	3,000.00
Marketing firm	312.50	2,500.00	2,500.00	2,500.00	2,500.00
Production manager	350.00	2,800.00	2,800.00	2,800.00	2,800.00
Projections coordinator	46.88	234.40	234.40	281.28	234.40
Orchestra Contractor	99.55	507.11	508.23	609.22	710.73
Musical supervisor	93.75	468.75	468.75	562.50	468.75
Aerial designer	93.75	468.75	468.75	562.50	468.75
Aerial rigging designer	31.25	156.25	156.25	187.50	156.25
Production crew	50.00	250.00	250.00	300.00	250.00
Vocal arranger	62.50	312.50	312.50	375.00	312.50
Dance arranger	62.50	312.50	312.50	375.00	312.50
Synth programmer	50.00	250.00	250.00	300.00	250.00
Casting director	150.00	750.00	750.00	900.00	750.00
Projection designer	93.75	468.75	468.75	562.50	468.75
Hair designer	62.50	312.50	312.50	375.00	312.50
Make- up designer	31.25	156.25	156.25	187.50	156.25
Past executive producer fee	250.00	1,250.00	1,250.00	1,500.00	1,250.00
	<u>3,215.18</u>	<u>22,197.76</u>	<u>22,198.88</u>	<u>23,378.00</u>	<u>22,401.38</u>
Royalties					
Authors	2,917.48	14,587.46	14,587.46	17,504.98	14,587.46
Collaborator	486.25	2,431.23	2,431.23	2,917.47	2,431.23
Director	1,218.75	6,093.75	6,093.75	7,312.50	6,093.75
Publicity	364.69	1,823.44	1,823.44	2,188.13	1,823.44
Choreographer	243.75	1,218.75	1,218.75	1,462.50	1,218.75
Scenic designer	312.50	1,562.50	1,562.50	1,875.00	1,562.50
Costume designer	312.50	1,562.50	1,562.50	1,875.00	1,562.50
Lighting designer	312.50	1,562.50	1,562.50	1,875.00	1,562.50
Sound designer	187.50	937.50	937.50	1,125.00	937.50
Orchestrator	125.00	625.00	625.00	750.00	625.00
Arranger	87.50	437.50	437.50	525.00	437.50
Mask designer	125.00	625.00	625.00	750.00	625.00
Producers' fee	1,039.59	5,197.95	5,197.95	6,237.54	5,197.95
Development royalty	281.25	1,406.25	1,406.25	1,687.50	1,406.25
	<u>8,014.26</u>	<u>40,071.33</u>	<u>40,071.33</u>	<u>48,085.62</u>	<u>40,071.33</u>
TOTAL EXPENSES	<u>171,689.24</u>	<u>951,717.70</u>	<u>954,852.42</u>	<u>1,060,606.91</u>	<u>990,431.98</u>
WEEKLY LOSS	<u>\$ (1,073.26)</u>	<u>\$ (169,752.88)</u>	<u>\$ (177,054.45)</u>	<u>\$ (178,354.87)</u>	<u>\$ (50,359.91)</u>
RUNNING LOSS BEFORE ROYALTY POOL					\$ (576,595.37)
ROYALTY POOL					0.00
RUNNING LOSS					<u>\$ (576,595.37)</u>
See independent accountants' compilation report					

Running Report for the Week Ended

(Unaudited)

01/02/2011

Eight

Number of performances

NET ADJUSTED BOX OFFICE RECEIPTS

Gross box office receipts
Box office deductions
Construction loan repayment

\$ 1,881,870.00
(189,577.46)
(100,457.00)
\$ 1,591,835.54

RUNNING EXPENSES

Box office royalties

\$ 127,346.84

Salaries

Principals
Ensemble
Standbys
Stage managers
Dance captain
Company managers
Physical therapist
Company crew
Wardrobe supervisor and assistants
Dressers
Hairdresser
Assistant hairdresser
Make up supervisor
Assistant make up
Rehearsal and work calls
Resident director
Resident choreographer
Musical director
Musicians
Stars' per diem and living
Equity vacation and sick pay
Payroll taxes
Union benefits

\$ 33,088.24
60,537.76
2,382.06
15,600.34
660.20
4,750.00
825.00
5,778.00
14,360.27
23,395.10
1,920.79
4,276.86
1,870.79
1,564.35
6,470.00
2,500.00
2,000.00
3,979.69
43,059.22
1,000.00
7,756.00
36,154.61
41,201.57
315,130.85

Departmentals

Carpentry, automation and props
Electrics and sound
Wardrobe, hair and makeup
Special effects
Audition and rehearsal
Rehearsal studio
Catering
Company and stage managers

3,500.00
2,800.00
5,500.00
750.00
3,500.00
5,000.00
1,400.00
1,250.00
23,700.00

Rentals

Automation
Flying rig rental
Electrics and moving lights
Sound
Projectors
Led lease
Genie lifts and chain motors

35,495.00
33,013.00
26,510.00
21,475.00
9,700.00
12,450.00
700.00
139,343.00

Advertising and publicity

125,000.00

General and administrative

Marvel liaison
Legal
Accounting
Insurance
Production maintenance
Restoration bond repayment
Closing reserve
Telephone, copies and postage
Payroll service
Theatre proscenium storage and insurance
Music license fee
Miscellaneous and other

1,250.00
1,000.00
2,250.00
9,615.00
7,500.00
15,000.00
19,231.00
500.00
650.00
235.00
275.00
1,000.00
58,506.00

Theatre expenses

Percentage rent
Recovery rent
Theatre operating expenses
Box office
Front of the house
Stagehands
Holiday pay

60,000.00
40,000.00
62,097.18
19,851.36
36,129.17
134,253.35
5,577.00
357,908.06

Fees and retainers

General manager
Press agent
Marketing and promotion director
Marketing firm
Production manager
Projections coordinator
Orchestra contractor
Musical supervisor
Aerial designer
Aerial rigging designer
Production crew
Vocal arranger
Dance arranger
Synth programmer
Casting director

Hair designer
Make- up designer
Past executive producer fee

5,000.00
3,000.00
3,000.00
2,500.00
2,800.00
375.00
812.27
750.00
750.00
250.00
400.00
500.00
500.00
400.00
1,200.00
2,250.00
500.00
250.00
2,000.00
27,237.27

Royalties

Authors
Collaborator
Director
Publicity
Choreographer
Scenic designer
Costume designer
Lighting designer
Sound designer
Orchestrator
Arranger
Mask designer
Producers' fee
Development royalty

23,339.96
3,889.96
9,750.00
2,917.50
1,950.00
2,500.00
2,500.00
2,500.00
1,500.00
1,000.00
700.00
1,000.00
8,316.72
2,250.00
64,114.14

TOTAL EXPENSES

1,238,286.16

WEEKLY PROFIT

\$ 353,549.38

RUNNING POOL BEFORE ROYALTY POOL

\$ 353,549.38

ROYALTY POOL

0.00

RUNNING PROFIT

\$ 353,549.38

Note - Additional royalties due have not been accrued since there is a loss for the cycle overall.

See independent accountants' compilation report